

BUDGET LETTER

	NUMBER:96-13
SUBJECT: 1997-98 SALARIES AND WAGES GALLEY AND POSITIONCOST ESTIMATES	DATE ISSUED: AUGUST 23, 1996
REFERENCES:	SUPERSEDES: BL 95-09

TO: Departmental Budget Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

Note: Departmental Budget Officers will receive an additional copy of this transmittal letter with the Initial 1997-98 Salaries and Wages galley. Salaries and Wages galley will not be attached for other recipients of this Budget Letter.

I. SALARY AND WAGES GALLEY

Attached are two copies (control proof copy and departmental copy) of the initial Salaries and Wages galley (Schedule 7A) prepared from the Controller's payroll records of "Established Positions" adjusted to reflect departmental input on the Finance Conversion Code Report (FCC) for formatting, sequencing of data, and printing of totals. As in past years, these galleys are double spaced to facilitate the recording of changes and are to be used for submission of your 1997-98 Salaries and Wages Supplement to the Department of Finance (DOF).

The State Controller's (SCO) has released directly to departments the Schedule 8 Tabulation, the supplemental tabulations for Schedule 8 and Schedule 7A, and the Blanket Position Expenditure Report. All adjustments made to these tabulations **must be recorded on the Salaries and Wages galley** in accordance with the guidelines outlined in State Administrative Manual (SAM) Sections 6115, et seq. Attachment A describes the documents used in development of the Salaries and Wages Supplement. Attachment B describes the steps to adjust the initial Schedule 7A to the correct authorized amounts.

Unless there are special circumstances which departments can justify to their DOF Budget Analyst, departments must comply with the following instructions in preparing their Schedule 7A for 1997-98:

- a) Employee Compensation Program -- The State has reached agreement with only one of the collective bargaining units representing State employees (CBU #5). Therefore, there are no instructions for making budget adjustments for employee compensation at this time. Instructions will be issued when the outcome of the collective bargaining process is determined.
- b) Career Executive Appointment (CEA) Positions -- The initial Schedule 7A reflects all CEA positions for an organizational unit as "CEAI-V". Departmental staff must split the CEA classes to show each level and dollar amount separately.
- c) Merit salary adjustments (MSA) -- MSA expenditure projections are included on the Schedules 7A and 8 as in the past. However, no funding has been provided in the 1996-97 Budget Act for MSAs and any costs incurred by departments must be absorbed from within existing resources.

- d) Permanent employees -- Generally, all permanent employees (full-time and part-time) must fill established positions and not be budgeted in blanket authorizations.
- e) Partial-year authorizations -- Partial year adjustments are being discontinued in the 1997-98 Governor's Budget. Therefore, any positions that are not authorized for a full fiscal year, must be shown with the net personnel year count and the net associated dollars. Refer to Budget Letter 96-12 for instructions.
- f) Temporary Help authorizations -- Display personnel years for all three years, including personnel years for student assistants and other personnel used for purposes described in SAM Section 6209. Do not include permanent employees (part-time or full-time) other than permanent intermittent in the Temporary Help authorizations.
- g) Overtime -- Budget as a separate line entry. Do not display personnel years for overtime.
- h) Reorganizations -- Only those approved reorganizations that were reflected in the updated Finance Conversion Code (FCC) report issued by the State Controller have been included in the Schedule 7A galley. Any subsequent reorganizations which are proposed for the 1997-98 Budget must first be approved by the DOF. Upon approvals the reorganization must be reflected in the Changes in Authorized Positions schedule in a condensed version rather than through extensive changes to the Schedule 7A.
- i) Vacant positions on Schedule 7A -- Budget vacant positions at the first step of the appropriate classifications.
- j) Vacant Positions (October 1 - June 30) - Government Code Section 12439 requires the Controller to abolish positions vacant for the entire last 9 month period of a fiscal year. Therefore, these positions do not appear on the Schedule 7A. The only exceptions are exempt positions and instructional- related positions for California State University. Departments may not restore any abolished positions to the Schedule 7A unless the abolishment was due to a technical error and a written request to continue the position is approved by the DOF.
- k) Vacant positions within interchangeable classes -- Budget vacant positions within interchangeable classes at the minimum step of the: (a) lowest salary range for groups consisting of two classes; (b) middle salary range for groupings which contain an odd number of classes; or (c) lowest salary range of the lowest classification of the two middle classes for groupings which contain an even number of classifications in excess of two.
- l) Subtotals -- Add three line entries on the 7A galleys after the department's "Totals, Authorized Positions" line as follows:
 - o Regular/Ongoing positions and dollars for all three years
 - o Temporary Help personnel years and dollars for all three years
 - o Overtime dollars only for all three years

Also, please complete the Positions and Expenditures, Form DF-4, (AttachmentC). The recorded information is used to develop Schedule 4, Personnel Years and Salary Cost Estimates, and Schedule 5, Positions and Salary Cost Estimates, for inclusion in the 1997-98 Governor's Budget Summary. Preliminary totals based on amounts included in the 1996-97 Governor's Budget for constitutional, statutory and exempt positions have been preposted for the current and budget years on the forms for those departments which have such positions. The personnel years and dollar amounts for civil service (including all blankets) are to be computed by departments and inserted on the Form DF-4. Dollar amounts on the Form DF-4 must be in thousands.

Attachment D is a list of standard abbreviations used in the salary schedules.

Please return the control copy of the completed Schedule 7A galley, the updated and corrected Form DF-4, Schedule 8 List of Errors (SAM Section 6116.7), and the Schedule 8 Summary to the DOF as soon as possible, but no later than the printing schedule date established by your DOF Program Budget Manager.

If you have any questions regarding the Salaries and Wages Supplement galley, please contact your DOF Budget Analyst. If you have any questions regarding Form DF-4, Positions and Expenditures, please contact Teresa Bierer or Les Ouchida at (916) 322-5540 or (leased line) 492-5540.



Carl Rogers
Program Budget Manager

Attachments

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Upcoming Budget Letters

- Past, Current and Budget Year Schedule 10s
- Processing Initial Schedule 10Rs

**DOCUMENTS USED IN THE DEVELOPMENT
OF THE SALARIES AND WAGES SUPPLEMENT**

Finance Conversion Code (FCC) Report-- The FCC Report and instructions were released to State agencies by the Controller's Office. Departments were requested to review this report and make all required changes to enable the Controller to arrange the information from the Uniform State Payroll System database to prepare the computer tape for printing the salaries and wages Schedule 7A galleys. Proper updating of the FCC Report ensures that galleys will be in the desired format with proper sequencing, indentations and totals, which will eliminate and/or minimize manual changes on the galleys at a later date.

Schedule 7A Galley -- The Schedule 7A galley represents a summary listing of all authorized regular/ongoing positions by classifications within each reporting unit from the State Controller's payroll records of "Established Positions". Essentially, the 7A galley proof summarizes the Schedule 8 detailed information. (The total number of positions on the Schedule 8 equals the combined totals shown on the Schedule 7A and Supplementary Schedule 7A.)

Supplementary Schedule 7A -- This listing provides information on positions and expenditures which were not included in the Schedule 7A because the Agency/Reporting Unit Codes were not shown on the Finance Conversion Code described above. Departments must manually add the information on the Supplementary Schedule 7A to the Schedule 7A.

Schedule 8 -- A listing of approved established regular/ongoing positions with related personnel information, including past-year expenditures by class code and estimated expenditures for the current and budget year of each position. (The total number of positions on the Schedule 8 equals the combined totals shown on the Schedule 7A and Supplementary Schedule 7A).

Supplementary Schedule 8 -- A listing of current and budget year information on employees for which there are no established positions (by Form 607 action) to continue beyond June 30 of the past-year, or for those positions with a non-existent class code. Past-year expenditures, if any, for these employees are displayed on the Schedule 8.

Form DF-4 -- A machine generated report prepared by the Department of Finance (DOF) reflecting the total number of Civil Service, Constitutional, Statutory, and Exempt positions authorized for the current-year as reported in the current (1996-97) Salaries and Wages Supplement publication. The current authorized level is continued into the budget year (1997-98).

The Form DF-4 is to be corrected and/or updated as necessary and returned to DOF attached to the Schedule 7A. To complete the Form DF-4, the department budget offices must:

1. Correct for errors.
2. Update by increasing or decreasing the respective authorized levels based on recent constitutional or statutory changes.
3. Report Past-Year/Personnel-Years Expended based on Schedule 8 reports from the State Controller's Office (include all blankets).
4. Insert authorized civil service positions (include all blankets).
5. Add and post position totals.
6. Correct and update "Expenditures" columns (in thousands) to correspond with changes for "Personnel-Years" and "Positions". Overtime has no P.Y. count, but is included in dollars.

7. The "Totals, Authorized Positions" line (both positions and dollars) must agree with the totals on the Schedule 7A and should be carried to and posted on the Summary-by-Object schedule on budget galley for beginning "Authorized Positions".

Inventory of Vacant Positions -- This inventory shows positions continuously vacant between October 1, 1995, and June 30, 1996, which have been abolished pursuant to Government Code 12439.

Blanket Position Expenditure Report -- A listing of established blanket numbers (for overtime, temporary help, seasonal, etc.) with the corresponding amount and personnel years expended, and the remaining balance.

Standard Form 607 -- Form 607 position documents received by the Controller by June 15 are normally reflected on the Controller's reports.

Schedule 8 Summary Reconciliation -- This summary schedule is prepared by departments to reconcile the total authorized number of positions listed in the 1996-97 Governor's Budget as amended by the Final Change Book. Differences in the number of positions are to be explained with references to documents for supporting the changes (see SAM Section 6118).

Payroll Certification Notice -- Upon completion of the Schedule 8 Summary reconciliation, departments prepare a certification notice to the Controller for continued payment of established positions (see SAM Section 6210).

STEPS TO COMPLETE SALARIES AND WAGES SUPPLEMENT

All of the documents described in Attachment A are used in the development of the final Salaries and Wages Supplement. The following basic steps illustrate the reconciliation process for position totals between the initial Schedule 7A galley and the final printed Salaries and Wages Supplement.

	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>
Schedule 7A	XXXX	XXXX	XXXX
Adjustments from Supplementary Schedule 7A as Appropriate:	+ X	+ X	+ X
Subtotals (Equals Schedule 8)	XXXX	XXXX	XXXX
Adjustments from Supplementary Schedule 8 as Appropriate:		+ X	+ X
Add Blanket Positions	+ X	+ X	+ X
Add Back Abolished Positions			
Continuously vacant positions which were automatically dropped but subsequently cleared by Department of Finance for retention. (List at the bottom of the Schedule 7A galley the remaining vacant positions abolished pursuant to the provisions of Government Code 12439).			+ X
Position changes (increase or decrease) per Legislature and Governor's vetoes (Change Book)		+ X	+ X
Totals -- These amounts must reconcile to the position totals in the previous Governor's Budget as adjusted by the position changes in the Final Change Book. Any difference must be footnoted on the Schedule 7A galley.	XXXX	XXXX	XXXX

POSITION CLASSIFICATION ABBREVIATIONS USED IN ISSUE DETAIL

Word	Abbreviation	Word	Abbreviation	Word	Abbreviation
academic year.....	acad yr	electrical	elec	operations.....	ops/oper(s)
account(s)	acct(s)	electronic data processing	EDP	operator	opr
accounting.....	acctg	employee and		organization	org
administrative.....	adm	employer.....		personnel.....	pers
administration.....	adminemp/emp		physical.....	phys
advisor	advr	employment	empt	planner.....	plnr
affairs.....	affs	engineer.....	enr	planning	plan
affirmative	aff	engineering.....	enrng	power.....	pwr
agricultural	agric	environment.....	envirn	prevention.....	prev
agriculture	agri	environmental	envirntl	principal	prin
and.....	&	equal employment		processing	proc
appliance.....	appl	opportunity.....	EEO	production.....	prod
appointment	appt	equipment.....	equipt	professional(s)	prof(s)
apprentice	appnt	evaluation	eval	program(s).....	pgrm/prog(s)
assessment.....	assess	examination	exam	project.....	proj
assistant.....	asst	executive	exec	property	prop
associate.....	assoc	federal.....	fed	psychiatric.....	psych
attorney.....	atty	federal fund.....	FF	public.....	pub
automotive	auto	field.....	fld	recreation.....	recr
bilingual--bicultural	bi/bi	general.....	gen	record(s)	recd(s)
biology	biol	government.....	gov	registration.....	regis
board.....	bd	governmental	govtl	regulatory.....	reg
branch.....	br/brch	handicap	hdcp	rehabilitation	rehab
building	bldg	health.....	hlth	reimbursement.....	reimb
bureau.....	bur	high occupancy vehicle	HOV	representative.....	rep
business.....	bus	highway.....	hwy	reproduction.....	reprod
Dept. of Transportation	Caltrans	hospital	hosp	residential	res
calculator	calc	hydraulic	hyd	retirement	ret
captain	capt	hydroelectric	hyd	river	rvr
career executive		identification.....	id	secretary.....	secty
appointment.....	CEA	information.....	info	section	sec/sect
center.....	cntr/ctr	inheritance	inh	senior.....	sr
certification.....	cert	inspector.....	insp	sergeant.....	sgt
chemistry	chem	institutional.....	instl	service	serv
clerk.....	clk	instruction	inst	social	soc
compensation.....	comp	instructional.....	instl	southern.....	so
conservation.....	cons	insurance	ins	specialist.....	spec
construction.....	constrn	intergovernmental		standards.....	stds
control.....	cntrlintergovtl		statistics.....	stat
coordinator.....	coord	intermediate.....	inter	stenographer.....	steno
corporate.....	corp	international	intntl	subdivision.....	sub
corrections	corrs	junior.....	jr	superintendent.....	supt
correctional	corr	laboratory.....	lab	supervising	supvng
county	co	leadership	ldrshp	supervisor	supvr
criminal	crim	level of care	LOC	supervisory	supvrl
curriculum	curr/curric	licensing.....	lic	supervisory	supvry
data processing.....	DP	lieutenant.....	lieut	system(s).....	sys(s)
department.....	dept	machine	mach	tabulating	tab
departmental.....	deptl	maintenance	maint	technical	tech
deputy.....	dep	management.....	mgt/mgmt	technician	techn
determination(s).....	determ(s)	manager.....	mgr	technology	tech
development	dev/develmt	managerial.....	mgrl	telecommunication.....	telecomm
developmental.....	develmtl	mechanical.....	mech	teletypewriter	TWX
disability	dis	medical	med	television	TV
dispatch.....	disp	member	mbr	training.....	trng
district.....	dist	month.....	mo	transactions	trans
division.....	div	mountain.....	mt	transportation.....	transp
drafting.....	drftg	nonsupervisory.....	nonsupvry	typing.....	typ
duplicating.....	dup	occupational.....	occ	veterinary.....	vet
econoic	econ	office	ofc	vocational	voc
education	ed/educ	officer.....	off/ofcr		

